
From: Shirley, Perry
Sent: Thursday, July 05, 2001 4:55 PM
To: MRM Comments
Subject: ATTN: RIN 1010-AC86

The attached file represents comments of the Navajo Nation on the Solid Minerals Reporting Requirements.



Navajo-comments.doc

Submitted via e-mail to: MRM.Comments@mms.gov

July 3, 2001

Paul A. Knueven, Chief
Minerals Management Service
Minerals Revenue Management
Regulations and FOIA Team
PO Box 25165, MS 320B2
Denver, Colorado 80225-0165

**RE: Proposed Rule; Solid Minerals Reporting Requirements
Federal Register, Volume 66, No. 108, June 5, 2001**

Dear Mr. Knueven:

The Navajo Nation (Nation) submits the following comments concerning the Department of the Interior, Minerals Management Service's (MMS) proposed rule, Solid Minerals Reporting Requirements.

As a member of the Solid Minerals Operational Model (SMOM) team, the Navajo Nation Minerals Department (Nation) was able to participant in the reporting phase of the new proposed model concerning the Navajo Mine operations, which is being produced by BHP Minerals (BHP). At this point, the Nation cannot assess the overall proposed reporting system pending the final implementation and usage of the entire reengineered system, which is slated for October 1, 2001.

The Navajo Nation has utilized the Forms MMS-2014 and SMOR-A reports submitted by the coal producing companies since their implementation for the reporting of coal royalties. Prior to January 2000, we received copies of the MMS reports directly from all of the coal companies. However, in order to ease the reporting burden by the companies participating in the model, it was agreed that BHP would submit the forms under the present systems (Form MMS-2014 and SMOR-A) as well as the new proposed reporting system only to the MMS through the SMOM team. After receipt, the MMS would forward the forms via e-mail to the Nation as well as the Bureau of Indian Affairs. The Nation's Minerals Department has experienced delay in the receipt of BHP's monthly reports from MMS, which may or may not be attributed to BHP.

While we feel strongly that all of the data elements that the MMS proposes to require the companies to report, including the submission of sales contracts and amendments is absolutely essential, the Nation must also receive the reported data directly from the companies. As mentioned, this was the situation for all companies including BHP, prior to the initiation of the model. All companies should be notified through the rule that they will be also be required to submit the same information as reported to the MMS, directly to the Navajo Nation. The Nation needs the information in a timely manner for monthly royalty reconciliation purposes, to evaluate projected revenues and to perform oversight responsibilities of the mining activities of the companies.

The Nation is very dependent on the royalty revenues it receives from its non-renewable mineral resources. In fact, the Nation's mineral royalty revenues account for approximately eighty percent of its general fund budget used to provide basic services to Navajo people. As such, the reported information is very important.

If you have any questions, please contact Mr. Perry Shirley, Assistant Director, Minerals Department at (520) 871-6340.